GOVERNMENT OF INDIA
MINES
LOK SABHA

STARRED QUESTION NO:301
ANSWERED ON:31.08.2012
PRICES OF IRON ORE
Singh Shri Ratan

Will the Minister of MINES be pleased to state:

(a) the quantity and value of iron ore exported to China during each of the last three years and the current year;

(b) the share of export of iron ore to China in the total export of iron ore;

(c) the details of export prices of iron ore to China during the said period;

(d) the prices of iron ore for supply to the domestic industries in the country during the said period ; and

(e) the reaction of the Government on the price differential in this regard?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR MINES (SHRI DINSHA PATEL)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO STARRED QUESTION NO. 301 TO BE ANSWERED IN THE LOK SABHA ON 31.8.2012 REGARDING PRICES OF IRON ORE.

(a) : As per available information the quantity and value of iron ore exported to China during last three years is given below :

(Quantity in Million Tonnes; Value in Rs. Crores)

2009-10		2010-11		2011-12 (Provisional)	
Quantity	Value (Estimated)	Quantity	Value (Estimated)	Quantity	Value (Estimated)
109.30	38383.59	89.73	38001.11	57.73	31764.63

(Source: MMTC)

Note:- Information is not available for export of iron ore for the current year.

(b): As per available information, the total export of iron ore to China, which is mostly Fines, is estimated at 92% of the total iron ore exported in the last three years.

(c): Details of monthwise and yearwise export prices of iron ore (63% Fe grade Fines) exported to China are given below:-

Monthwise export prices of iron ore(in US dollar per tonne)

Year	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2009-10	48	52	61	68	68	67	68	72	77	90	93	104
2010-11	162	138	122	122	130	125	130	148	150	155	174	160
2011-12	164-	162-	159-	162-	164-	160-	127-	111-	124-	129-	130-	130-
	165	164	163	164	166	168	158	133	132	132	133	132
2012-13	135	126	124	116								

(Source: MMTC)

(d) and (e): As per available information, the all India average sale price of iron ore(62-65% Fe grade) at pithead in the month of March during the last three years for lumps and Fines is given below: (in Rs. Per Tonne) Type of iron ore March 2010 March 2011 March 2012 Lumps 1861 3863 5496 Fines 1461 2435 2385

While iron ore prices are determined by the global market conditions, price difference between Fines exported to China and those available in India for domestic consumption is largely due to the fact that there is limited demand for iron ore Fines in the country. However, there is a good demand in China for the unutilized Fines available in the country, leading to higher price realization for such Fines.